



Reprinted  
February 5, 2002

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## SENATE BILL No. 518

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DIGEST OF SB 518 (Updated February 4, 2002 4:26 PM - DI 77)

**Citations Affected:** IC 12-21; IC 12-29; noncode.

**Synopsis:** Mental health center service areas. Establishes primary service areas for community mental health centers. Specifies that a provider that meets certification requirements of a community mental health center must be assigned to a geographic primary service area, and that a geographic service area may have more than one provider.

**Effective:** July 1, 2002.

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### Server

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January 14, 2002, read first time and referred to Committee on Health and Provider Services.

January 31, 2002, amended, reported favorably — Do Pass.

February 4, 2002, read second time, amended, ordered engrossed.

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SB 518—LS 7313/DI 77+



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February 5, 2002

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## SENATE BILL No. 518

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 12-21-2-3, AS AMENDED BY P.L.215-2001,  
2 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2002]: Sec. 3. (a) In addition to the general authority granted  
4 to the director under IC 12-8-8, the director shall do the following:  
5 (1) Organize the division, create the appropriate personnel  
6 positions, and employ personnel necessary to discharge the  
7 statutory duties and powers of the division or a bureau of the  
8 division.  
9 (2) Subject to the approval of the state personnel department,  
10 establish personnel qualifications for all deputy directors,  
11 assistant directors, bureau heads, and superintendents.  
12 (3) Subject to the approval of the budget director and the  
13 governor, establish the compensation of all deputy directors,  
14 assistant directors, bureau heads, and superintendents.  
15 (4) Study the entire problem of mental health, mental illness, and  
16 addictions existing in Indiana.  
17 (5) Adopt rules under IC 4-22-2 for the following:

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(A) Standards for the operation of private institutions that are licensed under IC 12-25 for the diagnosis, treatment, and care of individuals with psychiatric disorders, addictions, or other abnormal mental conditions.

(B) Licensing supervised group living facilities described in IC 12-22-2-3 for individuals who are mentally ill.

(C) Certifying community residential programs described in IC 12-22-2-3 for individuals who are mentally ill.

(D) Certifying community mental health centers to operate in Indiana.

**(E) Establish exclusive geographic primary service areas for community mental health centers. The rules must include the following:**

**(i) Criteria and procedures to justify the change to the boundaries of a community mental health center's primary service area.**

**(ii) Criteria and procedures to justify the change of an assignment of a community mental health center to a primary service area.**

**(iii) A provision specifying that a provider that meets the certification requirements of clause (D) must be assigned to a geographic primary service area.**

**(iv) A provision specifying that a geographic primary service area may have more than one (1) provider that meets the certification requirements of clause (D).**

(6) Institute programs, in conjunction with an accredited college or university and with the approval, if required by law, of the commission for higher education under IC 20-12-0.5, for the instruction of students of mental health and other related occupations. The programs may be designed to meet requirements for undergraduate and postgraduate degrees and to provide continuing education and research.

(7) Develop programs to educate the public in regard to the prevention, diagnosis, treatment, and care of all abnormal mental conditions.

(8) Make the facilities of the Larue D. Carter Memorial Hospital available for the instruction of medical students, student nurses, interns, and resident physicians under the supervision of the faculty of the Indiana University School of Medicine for use by the school in connection with research and instruction in psychiatric disorders.

(9) Institute a stipend program designed to improve the quality

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and quantity of staff that state institutions employ.

(10) Establish, supervise, and conduct community programs, either directly or by contract, for the diagnosis, treatment, and prevention of psychiatric disorders.

(11) Adopt rules under IC 4-22-2 concerning the records and data to be kept concerning individuals admitted to state institutions, community mental health centers, or managed care providers.

(12) Establish, maintain, and reallocate before July 1, 1996, one-third (1/3), and before January 1, 1998, the remaining two-thirds (2/3) of the following:

(A) long term care service settings; and

(B) state operated long term care inpatient beds;

designed to provide services for patients with long term psychiatric disorders as determined by the quadrennial actuarial study under IC 12-21-5-1.5(9). A proportional number of long term care service settings and inpatient beds must be located in an area that includes a consolidated city and its adjacent counties.

(13) Compile information and statistics concerning the ethnicity and gender of a program or service recipient.

(14) Establish standards for each element of the continuum of care for community mental health centers and managed care providers.

(b) As used in this section, "long term care service setting" means the following:

(1) The anticipated duration of the patient's mental health setting is more than twelve (12) months.

(2) Twenty-four (24) hour supervision of the patient is available.

(3) A patient in the long term care service setting receives:

(A) active treatment if appropriate for a patient with a chronic and persistent mental disorder or chronic addictive disorder;

(B) case management services from a state approved provider; and

(C) maintenance of care under the direction of a physician.

(4) Crisis care is available.

(c) Funding for services under subsection (a)(12) shall be provided by the division through the reallocation of existing appropriations. The need of the patients is a priority for services. The division shall adopt rules to implement subsection (a)(12) before July 1, 1995.

SECTION 2. IC 12-29-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) Except as provided in subsection (b), in situations described in section 2(2) or 2(4) of this chapter, the county's maximum appropriation for part of the

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total operating budget of the centers is determined in the same manner as in situations described in section 2(1) or 2(3) of this chapter.

(b) The amount derived from the calculation under subsection (a) represents the combined maximum appropriation to all centers serving the particular county. The allotment to each center shall be determined in the following manner:

(1) To determine the allotment to each center serving the total population of the county under the situation described in section 2(2) of this chapter, the amount actually appropriated shall be apportioned according to the proportion of the population **residing in the primary service area** served by each center to the total population of the county.

(2) To determine the allotment to each center in the situation described in section 2(4) of this chapter, the amount actually appropriated shall be apportioned according to the proportion of the population **residing in the primary service area** served by each center to the population of the county served by all centers.

SECTION 3. [EFFECTIVE JULY 1, 2002] **(a) Notwithstanding IC 12-21-2-3(a)(5), as amended by this act, before July 1, 2003, the director of the division of mental health and addiction shall adopt rules under IC 4-22-2 establishing geographic primary service areas for community mental health centers (as defined in IC 12-7-2-38) that recognize the community mental health centers' geographic primary service area boundaries in effect on July 1, 2002.**

**(b) This SECTION expires July 1, 2003.**

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## COMMITTEE REPORT

Mr. President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 518, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, between lines 19 and 20, begin a new line triple block indented and insert:

**"(iii) A provision specifying that a provider that meets the certification requirements of clause (D) must be assigned to a geographic primary service area.**

**(iv) A provision specifying that a geographic primary service area may have more than one (1) provider that meets the certification requirements of clause (D)."**

and when so amended that said bill do pass.

(Reference is to SB 518 as introduced.)

MILLER, Chairperson

Committee Vote: Yeas 8, Nays 0.

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SENATE MOTION

Mr. President: I move that Senate Bill 518 be amended to read as follows:

Page 4, line 21, delete "exclusive".

(Reference is to SB 518 as printed February 1, 2002.)

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